

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA : **CRIMINAL NO. 05-_____**

v. : **DATE FILED: _____**

DANIEL PELLICCIOTTI : **VIOLATIONS:**
PHILLY-WIDE INTERIORS, INC. : **18 U.S.C. § 666(a)(2) (bribery - 1 Count)**
: **26 U.S.C. § 7206(1) (subscribing false tax**
: **return - 1 Count)**

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this Information:

1. Defendant DANIEL PELLICCIOTTI was a non-disabled white male. In 1998, he incorporated defendant PHILLY-WIDE INTERIORS, INC. (PWI), a Philadelphia, Pennsylvania contractor. Since that time, defendant DANIEL PELLICCIOTTI played an active role with PWI, appeared at construction sites, and represented that he was the construction manager. His wife is a non-disabled white female.

2. The Minority Business Enterprise Council (MBEC) was the City of Philadelphia agency responsible for certifying disadvantaged business enterprises (“DBEs”). If a business entity met the appropriate standards, it could be certified by MBEC as a minority-owned, woman-owned, or disabled-owned disadvantaged business enterprise (“MDBE,” “WDBE” and “DSDBE,” respectively). Under certain circumstances, in order to be awarded work on city, state or federal contracts, the entity that seeks the contract must commit to allocate a designated percentage of work to DBEs; if the entity seeking the contract was not itself a DBE,

it would often subcontract work to one or more DBEs. Only those DBEs that have been certified by MBEC (or another qualifying agency) may have their participation credited toward city, state or federal goals of having appropriate disadvantaged business enterprises included in city, state or federal contracts.

3. The City of Philadelphia constituted a local government which received annual benefits in excess of \$10,000 in calendar year 2000 under Federal programs involving grants, contracts, subsidies, loans, guarantees, and other forms of federal assistance.

4. WT was an employee of the City of Philadelphia at MBEC. WT was a Minority Business Enterprise Specialist II for MBEC. As such, WT's job was to ensure that all minority business applicants met the appropriate criteria to become disadvantaged minority business contractors.

5. In 1980, the United States Department of Transportation ("USDOT") issued regulations in connection with a program to increase the participation of minority and disadvantaged business enterprises ("DBEs") in federally-funded public construction contracts, hereinafter referred to as the "DBE Program." The USDOT delegated the administration of the DBE Program to the city and state agencies that were recipients of USDOT construction grant funds.

6. The Federal Transit Administration ("FTA") is an agency within the USDOT that provided financial assistance in the form of construction grants to transit agencies for the construction and maintenance of transit systems. Recipients of USDOT construction grants were required to establish a DBE program, pursuant to which they would set specific goals for the percentage of work to be awarded to DBEs, and ensure that good faith efforts were made

by general contractors to employ qualified DBEs.

7. The Economic Development Administration (“EDA”) is an agency within the United States Department of Commerce (“USDOC”) that provided financial assistance in the form of construction grants to public works agencies for the upgrade of physical infrastructure to generate and retain jobs and investments.

8. The Southeastern Pennsylvania Transportation Authority (“SEPTA”) was a recipient of USDOT and USDOC construction grants and established a DBE Program (the “SEPTA-DBE Program”). Under the SEPTA-DBE Program, general contractors were permitted to count toward the attainment of their DBE percentage goals only funds paid to legitimate DBE companies that had been certified as a DBE by SEPTA.

The Bribe

9. In or about February 2000, at defendant DANIEL PELLICCIOTTI’s direction, his wife applied to MBEC for certification of PWI as WDBE business. At defendant DANIEL PELLICCIOTTI’s direction, she falsely claimed that she was the President and sole-owner of PWI; the application made no reference to defendant DANIEL PELLICCIOTTI or his involvement with PWI.

10. WT handled the PWI application on behalf of MBEC.

11. On or about May 9, 2000, PWI was certified as a WDBE, based on the bogus application and the recommendation of WT.

12. From in or about January 2000 through in or about Summer 2000, that is, both before and after PWI was certified as a WDBE contractor, defendant DANIEL PELLICCIOTTI provided things of value, including cash and free meals, to WT with an intent to

influence and reward WT.

13. Defendant DANIEL PELLICCIOTTI, on behalf of PWI, subsequently used that false certification to procure lucrative work - \$429,795.25 worth of work - as a WDBE subcontractor.

The SEPTA Scheme

14. In or about the fall of 2000, after securing a WDBE certification for PWI from MBEC, and based, in part, on that MBEC certification, defendant DANIEL PELLICCIOTTI obtained a similar certification for PWI from the Southeast Pennsylvania Transit Authority (SEPTA) that was necessary to perform work as a WDBE on SEPTA projects.

15. Based on these fraudulent certifications, defendant DANIEL PELLICCIOTTI thereafter obtained work for PWI as a subcontractor from an entity known to the United States Attorney.

16. From in or about March 2001 through in or about April 2002, PWI submitted to SEPTA weekly certified payroll reports regulated by the United States Department of Labor. At defendant DANIEL PELLICCIOTTI's direction, his wife signed these certified payrolls falsely claiming she was the President of PWI in order to give the appearance that a non-disabled white female was in control of PWI.

17. PWI thereafter received payments totaling \$227,877.33 for services performed as a WDBE, when, in fact, defendant DANIEL PELLICCIOTTI knew that PWI was not a legitimate WDBE and was not entitled to such payments.

The Veterans Stadium Scheme

18. The WDBE certification obtained from MBEC expired in April 2003.

19. In or about the Summer of 2003, defendant DANIEL PELLICCIOTTI caused a WDBE certification that would purportedly extend PWI's original WDBE certification through April 2006 to be forged.

20. Thereafter, based in part on this forged WDBE certification, defendant DANIEL PELLICCIOTTI obtained work for PWI as a subcontractor from an entity known to the United States Attorney on the contract to demolish Veterans Stadium in South Philadelphia.

21. From on or about January 30, 2004 to on or about August 30, 2004, PWI received payments totaling \$201,917.92 for services performed as a WDBE, when, in fact, defendant DANIEL PELLICCIOTTI knew that PWI was not a legitimate WDBE and was not entitled to such payments.

22. From in or about January 2000 through in or about Summer 2000, in the Eastern District of Pennsylvania, defendants

**DANIEL PELLICCIOTTI and
PHILLY-WIDE INTERIORS, INC.**

corruptly gave, offered, and agreed to give a thing of value to WT, an employee of the City of Philadelphia, a local government which received benefits of over \$10,000 in a one-year period under a Federal program involving a grant, contract, subsidy, loan, and other form of federal assistance, intending to influence and reward WT in connection with a transaction and series of transactions of the City of Philadelphia and other governmental agencies of value of \$5,000 or more.

In violation of Title 18, United States Code, Section 666(a)(2).

COUNT TWO

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

On or about November 5, 2001, in Philadelphia, in the Eastern District of Pennsylvania, defendant

DANIEL PELLICCIOTTI

who conducted a business in the name of Philly-Wide Construction, Inc., with its principal place of business in Philadelphia, Pennsylvania, willfully made and subscribed an Employer's Quarterly Tax Return, Form 941, which was verified by a written declaration in that it was made under the penalties of perjury and was filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, which Form 941 he did not believe to be true and correct as to every material matter in that the Form 941 reported that the total taxable wages paid employees by Philly-Wide Construction, Inc., for the quarter ending December 31, 1998 was the sum of \$118,983.17, whereas, as he then and there well knew and believed, the total taxable wages paid employees by Philly-Wide Construction, Inc., for that quarter was higher than the sum reported, that is, approximately \$211,943.17, which consisted of an additional approximately \$92,960 of unreported wages paid in cash.

In violation of Title 26, United States Code, Section 7206(1).

**PATRICK L. MEEHAN
UNITED STATES ATTORNEY**